

Message Text

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SUBJ: FOREIGN BUYER PROGRAM: ERICH GUGELMANN, EXECU-
TIVE MARKETING MANAGER, FEDERATION OF MIGROS
COOPERATIVES, ZURICH

1. ERICH GUGELMANN, EXECUTIVE MARKETING MANAGER, AND W. BURTH, PURCHASING DEPARTMENT, FEDERATION OF MIGROS COOPERATIVES, LIMMATSTRASSE 152, 8031 ZURICH, WILL VISIT THE UNITED STATES SEP. 3-9. ITINERARY OF PRE-ARRANGED APPOINTMENTS INCLUDES CHICAGO; STUTTGART, ARKANSAS; AND HOUSTON.
 2. ALTHOUGH PRINCIPAL PURPOSE OF VISIT IS TO BUY FOOD LINES. PRESENCE OF THIS TOP-LEVEL MIGROS BUYING TEAM ALSO OFFERS OPPORTUNITY FOR US SUPPLIERS OF NON-FOOD LINES TO ESTABLISH RELATIONSHIP WITH MIGROS. MIGROS IS SWITZERLAND'S LARGEST RETAILER WITH 450 OUTLETS AND TURNOVER IN EXCESS OF THREE BILLION DOLLARS ANNUALLY. WHILE MIGROS BEST KNOWN AS FOOD RETAILER, IT ALSO HAS SUBSTANTIAL NON-FOOD VOLUME, RETAILING FOR EXAMPLE 26 PERCENT OF MEN'S UNDERWEAR AND 27 PERCENT OF MEN'S SHIRTS. CLOSER TO 50 PERCENT BUT IS DELIBERATELY UNDERSTATED TO AVOID UNFAVORABLE PUBLICITY. THUS, ANY PRODUCT PLACED WITH MIGROS LIKELY ENJOY SUBSTANTIAL VOLUME OF SALES.
 3. RESPONDING TO AN INVITATION EXTENDED BY THE AMBAS-
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SADOR, GUGELMANN AND BURTH HAVE EXPRESSED INTEREST IN HAVING A COMPACT ONE-DAY PROGRAM ON NON-FOOD LINES ARRANGED FOR THEM BY THE COMMERCE DEPARTMENT FOREIGN BUYERS OFFICE. BECAUSE OF PRIOR FOOD-LINE COMMITMENTS (PARA. 1), ONLY REPEAT ONLY SUNDAY, SEPTEMBER 3 IS AVAILABLE FOR MEETINGS TO EXPLORE NON-FOOD PRODUCT OFFERINGS.

4. PRIMARY NON-FOOD INTERESTS OF MIGROS ARE AS FOLLOWS:

- A. HOUSEWARES
- B. TEXTILES
- C. SPORTING GOODS
- D. STATIONERY
- E. OTHER HOUSEHOLD PAPER PRODUCTS INCLUDING ALUMINUM FOIL AND POLYETHELENE WRAP
- F. MOLDED LUGGAGE TO BE SOLD UNDER MIGROS HOUSE BRAND (EXCLUDING 'SAMSONITE' WHICH HAS A DISTRIBUTOR IN SWITZERLAND)
- G. INEXPENSIVE HAND TOOLS
- H. JEANS (IF COMPETITIVE WITH EUROPEAN-MANUFACTURED)
- I. TRENDY YOUTH APPAREL (COMPARABLE TO IMPRINTED 'T' SHIRT FASHION OF SEVERAL YEARS AGO, BUT NEW)
- J. NON-ELECTRICAL KITCHEN GADGETS
- K. NEW TOYS

5. MR. GUGELMANN DESCRIBED HIS OBJECTIVE AS FINDING A SUITABLE 'INTERMEDIARY', PROBABLY LOCATED IN NEW YORK CITY, WHO COULD HANDLE CONTACTS WITH MANUFACTURERS, LOCATE NEW PRODUCTS, MAKE RECOMMENDATIONS, ARRANGE FOR SAMPLES AND FOLLOW THROUGH ON EXPORT ORDERS AND SHIPMENTS. THIS DESCRIPTION APPEARS TO FIT THE 'TYPICAL' EXPORT BUYING ORGANIZATION WITH WHICH HE COULD WORK, NOTING THAT TIME AND DISTANCE LIMITATIONS PRECLUDE DIRECT MIGROS CONTACT WITH DOZENS OR HUNDREDS

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OF INDIVIDUAL AMERICAN MANUFACTURERS. HE STRESSED THAT THE 'INTERMEDIARY' ORGANIZATION MUST HAVE BROAD RANGE OF CONNECTIONS IN ALL NON-FOOD LINES AND BE IN A POSITION TO FIND AND TO RECOMMEND NEW, QUALITY-MADE, COMPETITIVELY PRICED ITEMS FOR MIGROS.

6. ACTION REQUESTED: FOREIGN BUYER OFFICE REQUESTED ARRANGE 3-5 MEETINGS WITH QUALIFIED ORGANIZATIONS AT 60 MINUTE INTERVALS BEGINNING ABOUT 12:00 NOON, SUNDAY, SEPTEMBER 3, AT PLAZA HOTEL, NEW YORK CITY. NAMES MIGHT BE DRAWN FROM LIST OF 'BUYING OFFICES SERVING RETAIL STORES ABROAD' PREPARED FOR FORMER IN-STORE PROMOTION EFFORT. MIGROS REPS STATED THAT SEVERAL YEARS AGO THEY WORKED WITH ASSOCIATED MERCHANDISING CORP. (AMC), NEW YORK CITY, ON BASIS DESCRIBED PARA. 5 AND THAT THEY WOULD CONSIDER REACTIVATING THIS RELATIONSHIP. SUGGEST AMC BE INCLUDED.

7. MIGROS REPS HAVE ALSO ASKED FOR SUGGESTIONS ON NEW, LARGE SUPERMARKETS THEY MIGHT VISIT WHILE IN CHICAGO OR HOUSTON. PREFERABLY, THE SUPERMARKET SHOULD BE LOCATED IN A CITY CENTER, RATHER THAN IN

A SUBURB AREA, AND SHOULD EMPLOY INNOVATIVE MARKETING
OR ADMINISTRATION TECHNIQUES SUCH AS POS CHECK-OUT
SYSTEMS. PLEASE CABLE APPOINTMENTS SCHEDULE FOR NEW
YORK CITY AND SUGGESTIONS, IF ANY, ON SUPERMARKET
VISIT PRIOR AUGUST 1. WARNER.

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